GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3119
ANSWERED ON:08.12.2000
CEMENT TRADE
JAYABEN B. THAKKAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether despite the second largest cement producer in the world, India`s share in the global cement trade is less than five percent;

(b) if so, whether India has exported less than 4 percent of its total cement produced during 1999-2000;

(c) if so, the reasons for the above situation; and

(d) the efforts being made by the Government to boost the percentage of export of cement and clinker?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a)&(b): Yes, Sir.

(c) : The reasons are :

(i) Government levies which exporters have to pay, viz. Royalties on coal, limestone and gypsum, tax on Power etc.

(ii) High power tariff in India compared to international rates, higher port charges

(iii) Infrastructure constraints - rail/road/sea.

(d) : Exporters of cement are given incentives like duty draw back on excise duty paid, duty entitlement for export of cement and clinker @8% under Duty Entitlement Pass Book scheme and duty free import of coal, furnace oil, packing material etc. needed for the production of cement. In addition, Government is extending Market Development Assistance for exports through the Export Promotion Councils for competing in foreign markets through participation in overseas fairs, exhibitions and mounting trade delegations.